



Annual results, Y-2022

Testing the Future



Company Overview

QualiTau is the leading supplier of reliability test equipment and services for the semiconductor industry

Business Overview

Business Description

QualiTau is the leading supplier of reliability test equipment and services offering comprehensive turn-key solutions to the world's leading semiconductor device manufacturers for reliability characterizations of their ICs and other microelectronic devices. The company is publicly traded on the Tel Aviv Stock Exchange (TASE: QLTU).

Technology

Leading semiconductor Reliability Test Equipment manufacturer

Intellectual Property

30 U.S. patents (several international), 24 active, 1 pending

Customers

Longstanding relationships with global Tier-1 semiconductor manufacturers

Financial

FY 2022 Revenue of \$41.2M with Gross Margin of 66.3% and EBITDA margin of 35.3%

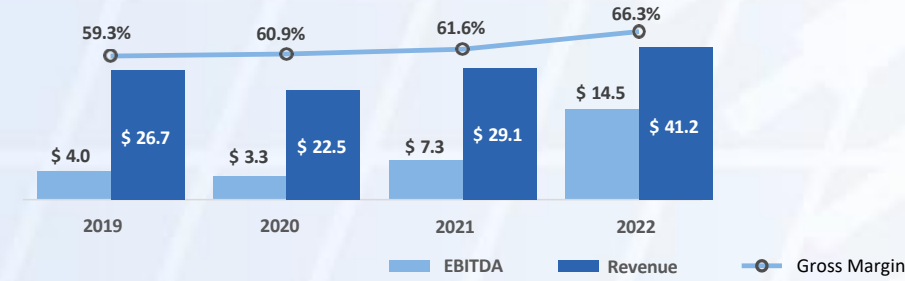
Representative Tier-1 Customers

Fabless Foundries IDMs



Selected Financial Profile Overview

(\$ in millions)



QualiTau-by-the-Numbers

\$ 59,774

Orders Booked (\$ in thousands)

\$ 41,171

Orders shipped (\$ in thousands)

\$ 18,608

Backlog @ 31/12/2022,
(\$ in thousands)

66.3%

2022 Gross Margin

35.3%

2022 EBITDA Margin

2.705

EPS (\$)

Products and Solutions Overview

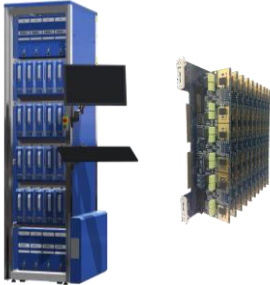
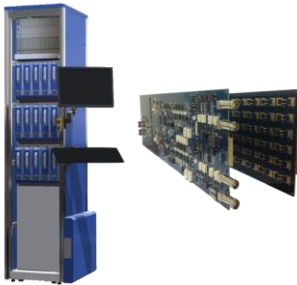

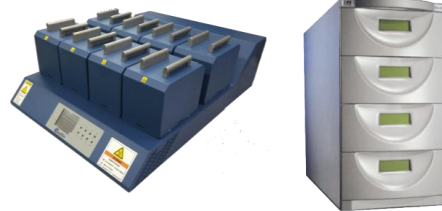
Core Capabilities and Differentiation

Proprietary design and manufacturing of advanced DUT boards and temperature chambers with unique thermal properties

Massively parallel testing solution for traditional package and wafer-level reliability

Destructive testing methods for lifetime analysis of complex electronic devices

Core Products

	QUALITAU CORE PRODUCTS			
Product Line	MIRA	Infinity	Wafer Level Probe Systems	ACE
Test Type	Package-Level	Package-Level	Wafer-Level	Package-Level
Core Applications	Electromigration and Stress Migration	TDDDB, HCI, BTI and HTRB	All Reliability Applications	DC EM, Pulse EM and AC EM
Product Images				

High Growth End Markets Driving Chip Demand



Automotive

- The emergence of several key technologies, including EVs, automobile automation, and 3D mapping has facilitated enhanced demand for advanced semiconductor products
- The global automotive semiconductor market is estimated to grow at a CAGR of 12% to reach \$114B by 2030



Communications

- 5G offers faster data speeds and reduced latency required to support global IP traffic, which is expected to grow 3x between 2019-2022 reaching 4.8 ZB/year
- The global 5G semiconductor solutions market is estimated to grow at a CAGR of 25% to reach \$11B by 2029



Consumer Electronics

- The growing disposable incomes of consumers, rising urbanization, and consumers' preference for advanced technology are catalysts driving the forecasted growth in the consumer electronics market
- The semiconductor consumer electronics market is estimated to grow at a CAGR of 9% from 2021 - 2028



Data Center & Computing

- Anticipated growth in the data center market is driven by advancements in cloud computing and chip technology, further aided by government regulations regarding the localization of data centers
- The data center chip market is estimated to grow by \$19B from 2021-2025, representing a CAGR of 23%



Industrial Automation

- Industry 4.0 is facilitating the digitization and networking of the industrial value chain, which increasingly rely on advancements in semiconductor technologies
- The global industrial semiconductors market is estimated to grow at a CAGR of 12% to reach \$107B by 2027



IoT

- Microcontroller units (MCUs), connectivity chipsets, Artificial Intelligence (AI) chipsets, and security chipsets and modules are key components driving IoT semiconductor growth
- The global IoT semiconductor component market is expected to grow at a CAGR of 10% to reach \$80B by 2025



Military & Aerospace

- Rising interest in space exploration and research, in addition to consistent investments in defense spending continue to drive growth in this sector
- The global Military and Aerospace semiconductor market is estimated to surpass \$10B by 2031, representing a CAGR of 6%

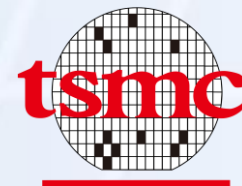


Silicon Photonics

- Advancements in high-performance computing, big data analytics, and cloud computing have facilitated growth within the silicon photonics market
- The global silicon photonics market is estimated to grow at a CAGR of 26% to reach \$4B by 2028

Sources: Allied Market Research, Business Insights, Fortune, GlobeNewswire

QualiTau Serving Tier-1 Customers Globally



Testing the Future

Strictly Private
& Confidential



Summary Income Statement (\$ in thousands)

Mamba forecast finalized

STATEMENT OF INCOME

	<u>Y-2022</u>	<u>%</u>	<u>Y-2021</u>	<u>%</u>	<u>Y-2020</u>	<u>%</u>
REVENUES	41,171	100	29,048	100	22,517	100
COST OF SALES	13,881		11,158		8,811	
GROSS PROFIT	27,290	66.3	17,890	61.6	13,706	60.9
RESEARCH & DEVELOPMENT	4,611	11.2	4,901	16.9	4,593	20.3
SALES, MARKETING, APPS & CS	3,931	9.5	3,082	10.6	2,536	11.3
GENERAL & ADMINISTRATION	4,313	10.5	4,111	14.2	3,640	16.2
OTHER EXPENSES (INCOME)	(7)		(1,342)		----	
OPERATING INCOME	14,442	35.1	7,138	24.6	2,937	13.0
EBITDA	14,551	35.3	7,317	25.2	3,275	14.5
FINANCE INCOME (EXPENSE)	(258)		(211)		(20)	
TAX EXPENSES (INCOME)	2,543		501		173	
EQUITY GAIN (LOSS)	----		----		----	
NET INCOME	11,641	28.3	6,426	22.1	2,744	12.2
EARNING PER SHARE	2.705		1.507		0.644	
DILUTED EARNING PER SHARE	2.555		1.443		0.640	

CASH FLOW Y-2022, 2021, and 2020

	<u>Y-2022</u>	<u>Y-2021</u>	<u>Y-2020</u>
NET INCOME (LOSS)	11,641	6,426	2,744
ADJUSTMENTS FOR RECONCILIATION	(4,089)	(566)	(2,260)
CASH FLOW FROM (TO) OPERATION ACTIVITIES	<u>7,552</u>	<u>5,860</u>	<u>484</u>
CASH FLOW FROM (TO) INVESTMENT ACTIVITIES	(32)	(32)	(528)
CASH FLOW FROM (TO) FINANCING ACTIVITIES	(4,438)	(3,519)	770
INCREASE (DECREASE) IN CASH	<u>3,082</u>	<u>2,309</u>	<u>726</u>
CASH AT THE BEGINNING OF THE PERIOD	11,855	9,546	8,820
CASH AT THE END OF THE PERIOD	<u><u>14,937</u></u>	<u><u>11,855</u></u>	<u><u>9,546</u></u>

BALANCE SHEET

	<u>31-12-2022</u>	<u>%</u>	<u>31-12-2021</u>	<u>%</u>
CURRENT ASSETS	37,779	93.4	26,815	90.2
LONG TERM INVESTMENTS	145		149	
FIXED ASSETS	700		922	
RIGHT OF ASSETS	538		1,057	
TAX ASSETS	1,300		800	
TOTAL	<u>40,462</u>		<u>29,743</u>	
CURRENT LIABILITIES	8,741	21.6	5,583	18.8
LONG TERM LIABILITIES	87		652	
SHAREHOLDERS EQUITY	31,634	78.2	23,508	79.0
TOTAL	<u>40,462</u>		<u>29,743</u>	